



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2017 Biennium

<b>Bill #</b>	HB0119	<b>Title:</b>	Update insurance laws to meet NAIC accreditation standards
<b>Primary Sponsor:</b>	Berry, Tom	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input type="checkbox"/> Needs to be included in HB 2  | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** HB 119 updates the law to meet National Association of Insurance Commissioners (NAIC) accreditation standards. Specifically, the Own Risk and Solvency Act (ORSA) requires insurers to analyze all reasonably foreseeable and relevant material risks that could have an impact on a company's ability to meet its policyholder obligations. This bill has no fiscal impact to the state.

### FISCAL ANALYSIS

#### Assumptions:

- The new ORSA requirement only applies to companies with \$500,000,000 or more of annual premium. Montana does not currently have any domestic insurers that meet the threshold, and will not likely for many years.

  
Sponsor's Initials

Date

 1/5/15  
Budget Director's Initials Date